

PIMA COUNTY ATTORNEY

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Tucson, AZ 85701

520-740-5600

IN THE SUPERIOR COURT OF THE STATE OF ARIZONA

IN AND FOR THE COUNTY OF PIMA

IN REM:

**MILLENIUM MOTORS, LLC,
AND
MIH REAL ESTATE INVESTORS, INC.,
AND
ALL REAL PROPERTY, VEHICLES
AND PERSONAL PROPERTY SET
FORTH IN APPENDIX ONE**

**SEIZED IN COUNTER NARCOTICS
ALLIANCE CASE NUMBER:
M04070401**

NO. C-20044898

D I S C L O S U R E

**(Assigned to Judge John Kelly,
Division 21)**

1. The Factual Basis of the State's action is set forth in the State's Complaint and is as follows:

The facts, events, conduct , and reasonable inferences arising therefrom set forth below occurred in Pima County, Arizona, unless noted otherwise.

From the late Fall of the year 2003 through the present, law enforcement agents of the Tucson/Pima County Counter-Narcotics Alliance (CNA) conducted an investigation of a large-scale, international and multi-state marijuana importation, distribution and sales and money laundering enterprise. The investigation included surveillance of suspects, information obtained through wire intercept orders, and information obtained through investigation of public and private personal, property and financial records and government criminal history records. Suspects in the investigation included the main suspect, Maria Isabel Dominguez aka Maria Ritson, and other individuals and commercial and professional business entities, including Cheryl Latoski, Miguel Frago, Rene Frago, Annette Hernandez-Islas, Gloria Armenta, Alfredo Felix

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Parra, Robert "Tony" Miller, Marcus "Steve" Maragh, Raymundo Rodriguez-Cruz, Rosario Elena Diaz Felix, Ricardo Varela aka Ricardo Elias-Molina, Gary Russell, Cesar Moreno, Jose Adan Montoya-Cuadras, Luis Orlando Osuna-Lugo, Joaquin Felix Dominguez, Lincoln Clive Dawkins, Patricia Mendoza, Sonia Guadalupe Cruz-Garcia, Charles Keith, Frederick Jerome Lewis, Angela Carol Jackson, Vicente Melendez, Hopeton Anthony McZenna, Oscar Sosa-Hernandez, Marjava Ramirez, Santiago Ramirez, David Luis Sosa-Hernandez, Arturo Juarez, Gerardo Gomez Martinez, John Doe Caballero, real estate broker Chris Cisneros and his business MIH Realty, attorney Hector Montoya, Casin Ann McLean, and car dealer Mark "Mike" Begurski and his business Millenium Motors. Maria Dominguez and local suspects of the organization were brokering large-scale marijuana trafficking between Mexican suppliers and Jamaican distributors.

MARIA ISABEL DOMINGUEZ is the title holder of several pieces of real property and several vehicles. However, she also used nominee owners to purchase other pieces of real estate and vehicles used or intended to be used to facilitate the storage and transportation of large quantities of marijuana and U.S. Currency or representing the proceeds thereof. Dominguez received the assistance of Chris Cisneros, Mark Begurski, Hector Montoya and their commercial and professional businesses in this conduct. Maria Isabel DOMINGUEZ used proceeds from the sales of marijuana to purchase real estate, vehicles and other property in an attempt to legitimize or launder those illegal proceeds. Dominguez received the assistance of Chris Cisneros, Mark Begurski, Hector Montoya and their commercial and professional businesses in this conduct. Maria Isabel DOMINGUEZ used nominee owners to conceal her ownership of those properties and Maria Isabel DOMINGUEZ used the proceeds from the sales of marijuana to purchase several expensive real and personal properties, including vehicles. A preliminary investigation into the financial status of Maria Isabel DOMINGUEZ revealed that she is living well beyond her means. No legitimate source of income to support her lifestyle was identified and surveillance revealed that she is not lawfully employed.

On or about Jun 9, 2004, the Superior Court of Arizona for Pima County issued a Title III Wire Tap Order [Number 04SW0001 (ABCD)]. As a result of the electronic and physical surveillance conducted, other realty, vehicles and accomplices associated with the DOMINGUEZ Organization were identified. Those accomplices and vehicles were observed being used to facilitate the transportation of narcotics and/or U.S. Currency, or to otherwise facilitate the furtherance of the criminal enterprise identified as the MARIA ISABEL DOMINGUEZ Organization.

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Agents also used a pole camera to observe activities at the real property located at 2157 W. Jackalope, a property titled to Maria Isabel Dominguez aka Maria Ritson. Dominguez had been using the Jackalope property to stash marijuana loads. From June 17 – 21, 2004, agents through surveillance and through intercepted phone calls learned that Dominguez and members of her organization met with their Mexican suppliers of marijuana and had provided occupancy of the Jackalope property to the suppliers as collateral for loads of marijuana. Apparently, the Jamaican distributors were behind in payments to the Mexican suppliers.

Agents learned that on June 17, 2004, Maria Dominguez and Miguel Fregoso picked up the above-captioned black 2004 Hummer H2 car from Mark Begurski of Millenium Motors. Dominguez traded in a 2003 Mercedes Benz SUV and made a \$20,000.00 cash downpayment. On June 18, 2004, agents heard a conversation in which Begurski told Dominguez and Fregoso what the costs and fees would be and that his cut would be \$15,000.00. Dominguez said she would pay the remainder in cash. Begurski confirmed receipt of a payment of \$10,000.00 in cash and said he would credit \$27,000.00 due to the value of the Mercedes Benz. Another conversation then showed that Dominguez had made the other \$10,000.00 cash payment, making up the \$20,000.00 total, and leaving a balance of \$9,000.00 owed on the Hummer H2.

On June 25, 2004, agents watched suspect Cheryl Latoski go to that address in an SUV car, where she was met by another member of the organization who had been sent there to assist Latoski retrieve "something" from the house. Intercepted phone calls at the time revealed that Latoski and the other suspect went there to pick up a load of marijuana for transport out of town by the organization. After Latoski departed, she headed onto I-10. Agents stopped the car and found 350 pounds of marijuana in the car. Intercepted phone calls between Dominguez and other members of the organization confirmed that their agent, Latoski, and their marijuana from the Jackalope house had been intercepted by the police.

On July 4, 2004, the Pima County Sheriff's Department responded to a "shots fired" call in the area of Milton and Wesley. As part of that investigation the officers came into contact with the above-captioned black 2004 Hummer H2 car one block from the location of the shooting report. The temporary drive-out plates on the car were registered to Miguel Fregoso at 2157 W. Jackalope. Miguel Fregoso is the husband or boyfriend of Maria Isabel Dominguez aka Maria Ritson. Three men were in

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the car but none were Miguel Fregoso. One man had an outstanding warrant. In the car officers found drug paraphernalia. The officers asked TPD to respond to 2157 W. Jackalope to try to contact Miguel Fregoso regarding the three men having legitimate control of the car. When TPD officers knocked on the door, two men fled from the house. They were Arturo Lopez and Erik Rolando Bejerano. Officers did a protective sweep of the house, during which they saw marijuana in the house. Officers obtained a search warrant. In the house officers found 365 pounds of marijuana in various containers and locations in the house. Officers also found a shop vac with marijuana debris in it, a suspected drug ledger, the above-captioned three cell phones which are commonly used by drug traffickers to communicate about drug trafficking activity and about police scrutiny, the above-captioned two scales which are commonly used to weigh illegal drugs, the above-captioned unit and two-way radio which is commonly used to communicate and conduct counter-surveillance of police scrutiny in trafficking activity.

On July 5, 2004, intercepted calls between Begurski and Dominguez revealed that Begurski was concerned about the discovery of the drug paraphernalia in the Hummer H2, the impounding of the car, and the discovery of the 365 pounds of marijuana in the Jackalope house. Begurski offered to put a lien on the Hummer H2 and seek to retake possession of the car from the police and hold it for Dominguez until she figured out what to do. A later call that date revealed Begurski saying he would claim he was retaking the car due to lack of payments, then sell the car and give Dominguez back some of the proceeds. Begurski said he wanted to retake and sell the car quickly because he wanted to be clear of the car because he heard DEA took the car due to drugs. One later call that day by Begurski and Dominguez revealed that Begurski told Dominguez she need not worry about the discovery of the 365 pounds of marijuana at the Jackalope house coming back to her because the whole incident would tie back to Miguel Fregoso, not to her. On July 7, 2004, an intercepted call between Begurski and Dominguez revealed that Dominguez told Begurski to leave the Mercedes Benz out of the picture and transaction papers when he went to the police and presented the title and transaction papers for the Hummer H2 car in order to try to retrieve the Hummer H2. Begurski told Dominguez to tell the police the balance was \$29,000.00, to tell the police Begurski would not take cash as a payment method, and warned her not to say anything regarding the Mercedes benz or that it was traded in or else that would endanger their efforts to get the Hummer H2 back from the police. Begurski, with the assistance of the Hector Montoya law firm, then contacted CNA and the Pima County Attorney's Office over the ensuing several weeks about getting the Hummer H2 back and presented false information and false documents regarding the

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Hummer H2 transaction and parties to the transaction to the police in order to try to get the Hummer H2 released. They concealed the existence of the Mercedes Benz trade-in and the way in which the actual transaction occurred and concealed information about the true relationship between Begurski and Millenium Motors and Dominguez and Fregoso and concealed information regarding the validity and purpose of the Millenium Motors lien.

Agents continued their investigation, surveillance and phone monitoring of the organization and intercepted numerous phone calls discussing the marijuana and proceeds trafficking activities of the organization and their professional participants. Additional loads of marijuana and cash were intercepted. Additional personal, public, private and government records were discovered demonstrating the relationships and activities of the organization, including the acquisition and use and laundering of money and real and personal property.

At the conclusion of the investigation agents searched numerous houses identified as used by and belonging to the suspects in the investigation. Agents found hundreds of pounds of marijuana in several of the houses and large amounts of cash. Agents also located numerous vehicles used by the organization in the trafficking conduct. Agents discovered additional personal and professional and financial records demonstrating the relationships and activities of the organization, including the acquisition and use and laundering of money and real and personal property. Agents arrested the suspects in the investigation. Agents also seized the personal property listed in Appendix One of the Complaint from the houses searched and the suspects arrested.

The following are examples of real property acquired, maintained, owned or controlled, and used or intended for use by DOMINGUEZ in the unlawful conduct.

3451 West Foxes Meadow: This is the main residence of Maria Isabel DOMINGUEZ, which has been used to facilitate the sale of marijuana for sale in and out of the Tucson area.

On June 11, 2004 Maria Isabel DOMINGUEZ arranged a meeting with "Don Chani" (Jose Adan Montoya-Cuadras) a Mexican supplier. DOMINGUEZ arranges the wire transfer of money from "Chaka" (Gary Russell) Los Angeles to a Western Union in Tucson from her home phone located at 3451 West Foxes Meadows.

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On June 25, 2004, while at the Foxes Meadow's residence, Maria Isabel DOMINGUEZ had phone conversations with "Steve" (Marcus Maragh) indicating the transfer of marijuana to Steve's driver Cheryl Latoski. Surveillance confirmed the transfer of marijuana at 2157 West Jackalope, which is owned by Maria Isabel DOMINGUEZ. The driver of the vehicle, Cheryl Latoski was stopped and arrested for possession of 350 pounds of marijuana.

713 North San Rafael: This is the main residence of David Sosa-Hernandez Aka "Titi", Maria Isabel DOMINGUEZ's nephew and organizational lieutenant.

On June 17, 2004 this residence was used to facilitate the showing of samples of marijuana.

On July 9, 2004 Sonia Guadalupe Cruz-Garcia meets with David Sosa-Hernandez at the San Rafael address. Intercepted telephone conversations indicate that the meeting was to verify the amount of money that is owed to the Mexican organization that Sonia represents.

1616 West Trendwood: This is the primary residence of Ricardo Varela, a supplier to the DOMINGUEZ Organization.

On June 22, 2004, phone calls intercepted between DOMINGUEZ and Varela arranged a sale of marijuana to a Jamaican male identified as "Chaka".

Ricardo Varela was observed transporting marijuana to an apartment complex on Mission Road and was followed back to his residence on Trendwood. On August 10, 2004, a search warrant was executed at his residence. \$101,836 in of U.S. Currency was found in a safe located in a master bedroom closet.

5602 East North Wilshire: This is the primary residence of Daniel Dominguez, brother of Maria DOMINGUEZ. Daniel Dominguez and Robert Perez own this residence.

On June 14, 2004, Julie Hernandez contacted Maria DOMINGUEZ regarding borrowing money. Maria advised Hernandez that she would have to wait until Daniel came home so she can stop by his house at 5602 East North Wilshire and get money out of that residence.

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On June 30, 2004, Maria DOMINGUEZ contacted Daniel DOMINGUEZ and wanted to stop by and drop off money. She also indicated that she did not want Miguel Fragoso (Maria's boyfriend) to know that she kept money at Daniel's house.

On July 18, 2004, DOMINGUEZ had telephone contact with a marijuana customer by the name of "George" regarding the return of some U.S. Currency that he had deposited on a load of marijuana. DOMINGUEZ told "George" that she would meet him and give him his money back. Surveillance followed DOMINGUEZ to 5602 East North Wilshire and observed her pick up a package. Surveillance also observed a meeting at 22nd and Craycroft between Maria and "George". Shortly after, a traffic stop was conducted on "George" and approximately \$5,500 was found in his possession.

DOMINGUEZ called Daniel Dominguez and arranged to pick up money located at 5602 East North Wilshire. Surveillance verified that DOMINGUEZ arrived at the residence on July 24, 2004.

1302 W Yavapai: This is the primary residence and is owned by Santiago and Marjava Ramirez (Miguel Fragoso's sister).

Several calls between Maria Isabel DOMINGUEZ and Marjava Ramirez indicated Marjava is setting up numerous cocaine and marijuana deals. This was confirmed between intercepted phone conversations. Also there was a conversation between Miguel Fragoso and Marjava Ramirez discussing marijuana loads.

During the search warrant, zip lock bags with marijuana and zip lock bags with marijuana residue, and a digital scale with white residue were discovered.

In conjunction with surveillance and intercepted phone calls it was determined that Marjava has picked up U.S. Currency via Western Union. The currency is to purchase marijuana using her name in order to conceal the identity of the DOMINGUEZ.

256 West Oklahoma: This is the primary residence of Vincente and Sarai Melendez. It is owned by Norma and Luis Padilla. Vicente Melendez is a driver for Maria DOMINGUEZ. Sarai is the daughter of Norma Padilla. Sarai and Norma Padilla obtain cellular phones for David Sosa-Hernandez Aka "Titi" and the DOMINGUEZ

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organization. Sarai and Norma Padilla obtain car titles for the DOMINGUEZ organization.

1712 West Lavender Mountain Place: This is the primary residence of Karla Juarez, wife of Arturo Juarez. Telephone calls between David Sosa-Hernandez "Titi", a marijuana broker and on one occasion, Arturo, were intercepted for a marijuana transaction. Surveillance followed David Sosa-Hernandez and Juarez to 2619 South Jaguar where both subjects stayed at the residence for a short time. Surveillance then followed a third vehicle away from the residence and a traffic stop of that vehicle revealed 176 pounds of marijuana in the vehicle that had been taken from the Jaguar residence. Several calls were made from Lavender Mountain to negotiate marijuana deals were intercepted.

During the search warrant on August 10, 2004 \$13,500 in U.S. Currency was located inside 1712 West Lavender Mountain Place.

2101 South Cottonwood Lane #27: This was a stash house used by the DOMINGUEZ organization. Surveillance followed David Sosa-Hernandez and Alfredo Parra to this residence. Prior to arriving at the residence Tucson Police Department conducted a traffic stop on their vehicle. Upon completion of the stop they went to the stash house and stayed a short time. A telephone call was intercepted immediately after the stop and they discussed the reason for the stop, what was in the house.

2619 South Jaguar: This is a rental residence secured by the DOMINGUEZ Organization. There were intercepted telephone calls between Arturo Juarez and David Sosa-Hernandez regarding the purchase of marijuana.

On July 7, 2004 surveillance observed a white Yukon arrive at the Jaguar address and sees items being loaded into the white Yukon. The Yukon is stopped after leaving the Jaguar address and it is found to contain three subjects, 176 pounds of marijuana and approximately \$86,000 in U.S. Currency.

275 North Sierra Vista: This is the primary residence for Jose Montoya-Cuadras and Luis Osuna-Lugo.

Intercepted telephone conversations between Maria DOMINGUEZ, Montoya-Cuadras and Osuna-Lugo indicated that this residence was utilized for a stash

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house for the Organization and there had been a large amount of marijuana stored at the residence as recently as August 4, 2004.

Ground surveillance on this residence indicated an unusual amount of traffic. On 08.10.04, a search warrant was served at the residence and 389 pounds of marijuana was seized.

3351 South Placita Costa Rica: This is the primary residence for Oscar Sosa-Hernandez.

On June 26, 2004 David Sosa-Hernandez arranged a meeting with Oscar Hernandez and Alfredo Parra at Oscar's residence. Ground surveillance confirmed this meeting. Intercepted telephone conversation indicated that Oscar Hernandez and David Sosa-Hernandez are co-conspirators along with Parra and using the residence for meeting and furtherance of their criminal activity.

On July 5, 2004 telephone conversations indicate that Sosa-Hernandez has a meeting with Jesus, a Mexican supplier of marijuana Surveillance confirms this meeting.

9310 East Main, Mesa, Arizona: This residence is occupied by Alba Armenta and Cesar Armenta and was using as a temporary residence. Telephone use (Both home and cell phone) from this residence maintained contact with the DOMINGUEZ Organization. There was an intercepted telephone conversation indicating that Cesar Armenta was looking at ledgers that represented amounts of marijuana. This is also the temporary residence of David Sosa-Hernandez.

On June 27, 2004, a vehicle belonging to Sosa-Hernandez was followed to this residence of 9310 East Main, Mesa, Arizona. Marijuana was placed into a vehicle owned by Sosa-Hernandez. The vehicle was driven and later abandoned by Vicente Melendez. This action was confirmed by telephone interception. Surveillance and phone calls confirmed that the marijuana in the vehicle came from this address.

The preliminary investigation into the financial status of Maria Isabel DOMINGUEZ reveals that she is living well beyond her financial means. No legitimate source of income to support her lifestyle has been identified and surveillance revealed that she is not lawfully employed. The following is a list of annual expenditures and

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vehicles that have been identified as belonging to Maria Isabel DOMINGUEZ aka "Maria RITSON".

- In 2002 Maria Isabel DOMINGUEZ expenditures for vehicles was approximately \$75,000.00.
- In 2003 Maria Isabel DOMINGUEZ expenditures for vehicles was approximately \$65,000.00.
- In 2004 Maria Isabel DOMINGUEZ expenditures for vehicles was approximately \$70,000.00.

The following is a list of vehicles that are registered to Maria I. DOMINGUEZ:

2002 GMC vin. 1GKEC13Z12R180945 lic.TF1008
2004 Hummer vin. 5GRGN23U14H119952 temp tag S350878
2003 Toyota vin. JTEHT05JX32034270 lic.D2C352
2002 GMC vin.1GKEC13Z12R180945 lic. 877MYV
1988 Jaguar vin. SAJKV1642JC522561 lic. 612KPH
1994 Ford vin. 1FALP4445RF167418 lic. 611KPH
2003 Jeep vin. 1J4GK38K83W550137 Lic. 074NTG
2000 Ford vin. 1FAFP44431F112905 LIC. 207NGY

Examples of other persons and entities participating in and facilitating the illegal marijuana distribution and money laundering enterprise, its members, its assets, and its purpose , are as follows.

NORMA PADILLA: The investigation revealed that Norma PADILLA has no legitimate income however she has three vehicles registered in her name. Intercepted phone calls reveal that she registers vehicles belonging to the DOMINGUEZ Organization in her name and also obtains cellular phones for the DOMINGUEZ Organization. The following is a list of the vehicles she has registered in her name:

2000 Kia vin. KNAFB1215Y5822580 lic. 376NPE
1988 Chev. Vin. 1G1AW51W2J6247238 lic. NBY138
1996 Chev. Vin. 1G1JC1249T7199958 lic. 849MTN

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RICARDO VARELA: The investigation revealed that Ricardo Varela has no legitimate income and had an expenditure of \$10,000.00 in 2004, He owns and maintains the following three vehicles which are registered to him:

2003 Honda ATV vin. 478TE24453A310756 lic. 2DKFRV
2001 Ford vin. 1FTRW08L91KA21987 lic. 526GLA
1994 Ford vin. 1FTEF14N5RLA44295 lic. S235463

MARJAVA RAMIREZ: The investigation revealed that on June 11, 2004, Marjava Ramirez went to a Western Union to pick-up \$5,000.00 money order for Maria DOMINGUEZ. Intercepted phone calls indicated that Maria DOMINGUEZ instructed the drug buyers to send \$5,000.00 in Marjava Ramirez's name. Ground surveillance observed Marjava arrive in the below listed vehicle at the Western Union and leave after she picked up the money. The following vehicle is registered to her:

1997 Chev. Vin. 3GNFK16R3VG103987 lic. 879LJW

LINCOLN CLYDE DAWKINS: The investigation revealed that "George" is an AKA for Lincoln Clyde Dawkins. Intercepted phone calls indicate that Maria DOMINGUEZ called him and requested that he come over to her residence and pick-up \$10,000.00. A traffic stop was conducted after the meeting with Maria and \$ 8,417.00 in U.S. Currency was seized. The following vehicle is registered to Dawkins:

2000 Ford vin. 1FAFP5521YG140502 lic. 090MZE

JOSE ADAN MONTOYA CUADRAS: The investigation revealed that "Don Chani" is an AKA for Jose Adan Montoya Cuadras. It also showed that Cuadras has no visible legitimate income or means of support. The following vehicle are registered to Cuadras:

1996 Toyota vin. JT2BG12K3T0340569 lic. M0590
1995 Ford vin. 1FTEX15H9SKA29381 lic. D2L855

RENE FRAGOSO: The investigation revealed that 1800 W. White Oak was a stash house on July 17, 2004. At that time, the residence was owned by Rene and Islas Fragoso. That residence has since been sold. Agents conducted surveillance on the residence and observed a black Ford Expedition bearing AZ. Plate 578BYV and a Jeep Cherokee bearing AZ. Plate MGH535. Intercepted phone conversation indicated

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that marijuana was stored at the residence and Rene Fragoso wanted the marijuana to be stored in the Jeep. Surveillance observed the green Jeep being utilized to deliver a load of marijuana for a Jamaican buyer. The black Ford Expedition is registered to Mr. Fragoso and the Jeep Cherokee is registered to Annette Isles, Mr. Fragoso's wife. Fragoso has no visible legitimate income. The following vehicles are registered to him and his wife:

2002 Ford vin. 1FMPU16L02LA26007 LIC. 578BYV (Rene)
2000 Jeep vin. 1J4GW48S8YC139355 LIC. MGH535 (Annette)

DAVID SOSA HERNANDEZ: The investigation revealed the David Sosa Hernandez, AKA "Titi", is a lieutenant in the Dominguez Organization and had no legitimate source of income. During physical surveillance, Sosa Hernandez was seen in the white Altima traveling between stash houses and conducting meetings within and while driving the white Altima. The following vehicles are registered to Sosa-Hernandez:

1996 Ford vin. 2FMDA5145TBA91620 LIC. D2L802
1999 Nissan vin. 1N4DL01DXX212378 LIC. 676LAN

ALFREDO FELIX PARRA: The investigation revealed the Alfredo Felix Parra has no visible or legitimate means of income. Tucson Police Department conducted a traffic stop on Mr. Parra. Wrap material that is used to wrap marijuana was discovered. Ground surveillance observed Mr. Parra with Mr. Hernandez during meetings with "Joaquin", a representative from the Mexican supplier. Mr. Parra has the following two vehicles registered in his name.

1996 Chev.vin. 3GCEC28K3TG132720 LIC. MEX. DYR2037
1993 Toyota vin. JT2EL4651P0272699 LIC. 392NKE

MILLENIUM MOTORS LLC., and Mark Begurski, aka "Mike" Begurski, aka Eden Aman Naim, owner, officer, agent for Millenium Motors LLC.

On June 27, 2004, agents observed through wire communication and physical surveillance, Maria DOMINGUEZ and Miguel Fragoso purchasing a 2004 Hummer from Mark Begurski of Millennium Motors. Intercepted wire communication indicated DOMINGUEZ traded in a 2003 Mercedes Benz SUV and deposited a payment of approximately \$20,000.00 to fully purchase the 2004 Hummer. The Mercedes Benz had been provided to Dominguez by her Jamaican drug customers as

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payment for drugs. The vehicle was registered to Jamaican co-conspirator Casin Ann McLean, girlfriend of co-conspirator Marcus Maragh, as payment for drugs. The Mercedes Benz was therefore drug proceeds. McLean and Maragh retrieved loads of marijuana from Dominguez and transported the loads of marijuana for the Jamaican drug customers. During the Mercedes Benz/2004 Hummer transaction with Millenium Motors, Millenium Motors through Mark Begurski had documents showing title to the Mercedes Benz in the name of McLean but then transferred into the name of Dominguez. Millenium Motors facilitated the transformation of the Mercedes Benz from the Jamaican drug customers to Dominguez and then into the 2004 Hummer.

Prior to the 2004 Hummer transaction, Millenium Motors through Mark begurski had conducted a transaction for Dominguez in which Dominguez acquired a Jeep Liberty by trading in a green Dodge Ram truck actually belonging to co-conspirator Miguel Fregoso (boyfriend/husband of Dominguez) but titled in the straw name of their relative, Julie Marie Hernandez. Dominguez had the Dodge Ram truck and was hiding it from Fregoso, and was able to transform it into the Jeep Liberty for her use through Millenium Motors.

On June 18, 2004 agents observed through intercepted wire communication Begurski stating to DOMINGUEZ and Miguel Fragoso what the cost and fees were for the 2004 Hummer. After discussing the taxes on the vehicle, Begurski stated his cut would be \$15,000.00, "you have to give me something." Shortly thereafter DOMINGUEZ stated she would be paying the balance in cash. Begurski stated DOMINGUEZ and Miguel Fragoso already gave him \$10,000.00 and will he will subtract \$27,000.00 from the cost of the 2004 Hummer because of the trade in credit for the Mercedes Benz. Shortly thereafter, an intercepted wire communication indicated DOMINGUEZ paid another \$10,000.00 and owed approximately \$9,000.00 on the Hummer. Begurski structured the transaction and avoided and did not execute cash transaction reports for the 2004 Hummer transaction.

On July 5, 2004, agents observed through intercepted wire communication, Begurski stating to DOMINGUEZ he did not like being involved in this situation; the situation was that the Pima County Sheriff's Department had seized the 2004 Hummer for having drug paraphernalia in the vehicle. Begurski was also aware that the vehicle registration on the 2004 Hummer returned to a residence at 2157 W. Jackalope (owned by DOMINGUEZ) where an additional 360 pounds of marijuana were seized, also on July 5, 2004. Begurski also stated he will place a lien on the vehicle and take it until DOMINGUEZ figures out what to do. Shortly thereafter, an intercepted

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wire communication indicated Begurski would repossess the Hummer for lack of payment, then sell the vehicle and give DOMINGUEZ back some money from the sale. Begurski wanted to sell the vehicle right away because he heard the DEA took vehicles because of drugs. Shortly thereafter intercepted wire communication revealed Begurski stating to DOMINGUEZ that she did not have to worry about the marijuana seizure of approximately 360 pounds at her residence at 2157 W. Jackalope Place in Tucson AZ affecting the 2004 Hummer because the 2004 Hummer would come back to Miguel Fregoso.

On July 7, 2004 agents observed through intercepted wire communication Begurski tells DOMINGUEZ Mercedes SUV out of the purchase agreement when Begurski presents the title and transaction papers to law enforcement retrieving the Hummer. Begurski then instructed DOMINGUEZ to tell authorities she owed \$29,000.00 and not \$9,000.00 since she had already made a \$20,000.00 down payment in cash. Begurski stated to DOMINGUEZ she needs to know this so she would know how to answer the authorities. Begurski intended to place a lien for the fraudulent amount of \$29,000.00 on the vehicle. Begurski told DOMINGUEZ to be very clear to tell the police that he would not accept cash as a payment. He also advised her what to tell the authorities as to what her financing was on the vehicle and what her monthly payments would be. Begurski warned DOMINGUEZ not to say anything referencing the Mercedes Benz she traded or else neither one of them would get money back for getting the Hummer out of custody.

Begurski then retained the services of attorney Hector Montoya, a co-conspirator in this illegal drug enterprise, and together they contacted the police agency that had seized the 2004 Hummer and the Pima County Attorney's Office in writing and telephonically in order to carry out the plan to recover the 2004 Hummer for DOMINGUEZ and Millenium Motors. Together they submitted false paperwork and correspondence to Sgt. Jones of the Tucson/Pima Counter-Narcotics Alliance and to the Pima County Attorney's Office. The paperwork and correspondence omitted the Mercedes Benz as a down payment for the 2004 Hummer.

On July 7, 2004, through intercepted wire communications and telephone conversations with Sgt. Jones, Mark Begurski knowingly and fraudulently represented Millennium Motors' conduct regarding the 2004 Hummer as as a legitimate business, conducting business in a lawful manner while he:

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- Conducted vehicle transactions while knowing and/or having reason to know the proceeds involved are the proceeds of an offense.
- Structured financing, falsified documentation, made false statements with the intent to conceal and/or disguise the nature of, location, source, ownership, or control of the property with the intent to facilitate a criminal enterprise.
- Controlled, managed, organized, directed, assisted, participated in and financed assets of an ongoing criminal enterprise.

The Millennium Motors:business, the real property on which it sits, and vehicles in its inventory and belonging to its officers and owners were seized as set forth in Appendix One to the Complaint.

The \$100,000.00 cash bond posted with Millenium Motors assets by Millenium Motors LLC Officer Jami Strey, wife of Mark Begurski, in the related criminal prosecution was also constructively seized. The bond was posted on August 14, 2004, via cashiers check number 0615202979 and remains on deposit and in the constructive trust and possession of the Clerk of Court.

MIH Real Estate Investors, Inc., aka MAKE IT HAPPEN REALTY, and Chris Sisneros, aka Chris "Neros" or "Nero," owner, officer and agent for MIH Real Estate Investors, Inc.

On July 26, 2004, agents with CNA and DEA observed through intercepted wire communication, Chris Sisneros stating to Maria Isabel DOMINGUEZ that he was waiting on \$3,000.00 from her brother. DOMINGUEZ stated her brother was in Las Vegas and her other brother was in Florida. She was trying to get \$20,000.00 ready for the brother in Florida.

On July 27, 2004, agents observed through intercepted wire communication and physical surveillance, Sisneros showing DOMINGUEZ a residence valued at approximately \$700,000.00. This residence is located at 275 Sierra Vista. Sisneros instructed DOMINGUEZ to take down the "For Rent" sign in the front yard so other people would not think the residence was still for rent. Physical surveillance then observed DOMINGUEZ meet with Osuna-Lugo at the Jack-in-the-Box Restaurant. A vehicle belonging to Montoya-Cuadras arrived. Agents then observed DOMINGUEZ and the two individuals drive to the same residence Sisneros showed DOMINGUEZ earlier. Shortly thereafter, agents observed DOMINGUEZ depart and a black BMW

driven by members of Montoya-Cuadas and Osuna-Lugo organization, back into the garage of the same residence. At approximately the same time DOMINGUEZ asked Sisneros if he could turn on the utilities for her friends staying at the residence. Later, agents intercepted a wire communication with DOMINGUEZ stating to Sisneros that the person renting the residence, Robert Miller, was in Cleveland, Ohio. DOMINGUEZ asked if the electricity would be on when Miller arrived and Sisneros stated he would have the utilities taken care of.

On July 28, 2004, agents observed through intercepted wire communication DOMINGUEZ telling Sisneros that Montoya-Cuadas and Osuna-Lugo moved into another residence rented by Sisneros and DOMINGUEZ wanted the utilities turned on. DOMINGUEZ also stated "they were going to put it there." It is your affiant's experience and training that DOMINGUEZ was informing Sisneros that Montoya-Cuadas and Osuna-Lugo were going to put the marijuana load at the residence being discussed for rent. Montoya-Cuadas and Osuna-Lugo wanted to rent the residence for three months and have the utilities turned on so they could move in. DOMINGUEZ also stated to Sisneros she was waiting for her friend, "Steve" to come to Tucson, Arizona on a Greyhound bus to "take the bill" on the other residence that Sisneros was holding for DOMINGUEZ. DOMINGUEZ stated that "Steve" really needed the property.

On July 29, 2004, agents observed through intercepted wire communication DOMINGUEZ telling Sisneros that her people, Montoya-Cuadas and Osuna-Lugo, moved into the residence. Sisneros asked DOMINGUEZ if they had the \$13,000.00 for him. He stated if Montoya-Cuadas and Osuna-Lugo did not have the \$13,000.00, then he could take \$10,000.00 owed to him. Sisneros stated he just needed the \$10,000.00 right now and will take the balance of the money due in credit from Montoya-Cuadas and Osuna-Lugo.

On July 30, 2004, agents observed through intercepted wire communications DOMINGUEZ stating to Sisneros that Montoya-Cuadas and Osuna-Lugo were "nervous because they have the stuff there." DOMINGUEZ stated to Sisneros that Montoya-Cuadas and Osuna-Lugo "told her that Chris told them to move." Sisneros stated he never told them that. Sisneros then stated he would call Montoya-Cuadas and Osuna-Lugo and let them know "that everything is ok". Sisneros asked when he was getting the money and DOMINGUEZ stated she was waiting for the truck driver to arrive; "he is not here yet and he has the money." Earlier, intercepted wire communication indicated a tractor-trailer was arriving in Tucson, Arizona to pick up a load of marijuana. DOMINGUEZ also stated she would get \$20,000-\$30,000 to

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Sisneros by this day. Then DOMINGUEZ stated she was waiting for her friend to wire \$10,000 through Western Union to Dominguez and she would give the money to Sisneros once she the money in hand. Sisneros asked, " is the other guy (Steve) coming tonight?" Dominguez stated, "yes." Shortly thereafter, intercepted wire communications indicated Sisneros talked to Montoya-Cuadras and Osuna-Lugo and assured "them not to worry." It is your affiant's belief that Chris Sisneros was letting Montoya-Cuadras and Osuna-Lugo know that it was acceptable to have a marijuana load at the residence. Sisneros then stated to DOMINGUEZ that he needed to get the cash immediately.

On August 1, 2004, agents observed through intercepted wire communication DOMINGUEZ stating to Sisneros that Osuna-Lugo complained to her that Sisneros was calling him a lot asking about the money owed to Sisneros. Sisneros stated to DOMINGUEZ that he did not call Osuna-Lugo too much and asked DOMINGUEZ if she had the \$30,000. DOMINGUEZ stated she did not know how much "Steve" was bringing her and she would let him know. Shortly thereafter, intercepted wire communications between Sisneros and DOMINGUEZ indicated Sisneros was at the residence rented to Montoya-Cuadras and Osuna-Lugo. At one point during intercepted wire communications and surveillance, agents observed 600 pounds of marijuana at the residence Sisneros was renting to Montoya-Cuadras and Osuna-Lugo.

On August 3, 2004, agents overheard several intercepted wire communications between DOMINGUEZ, Sisneros and DOMINGUEZ's attorney indicating Sisneros was putting up one of his properties/residences for bond with a bail bondsman. DOMINGUEZ called Sisneros several times instructing him to call her lawyer and the bail bondsman to verify this property being put for up for bond. Sisneros's actions were based on a deal with "Steve" (AKA Marcus Maragh) who was arrested on August 2, 2004. Steve's bond was set at \$250,000.00. Steve offered to buy Sisneros's house (valued at \$1,000,000.00) for cash once he got out of jail.

The investigation also revealed that Chris Sisneros drove over to the 275 Sierra Vista address on July 27, 2004. Physical surveillance and wire intercepted communications confirmed that he went to this residence at the instruction of Maria DOMINGUEZ and with Maria Dominguez present, to remove a rent sign and to prepare the residence for occupancy by Montoya-Cuadras and Osuna-Lugo.

Through intercepted wire communications and physical surveillance, Chris Sisneros conducted transactions while knowing and/or having reason to know:

- The proceeds involved are the proceeds of an offense.
- Managed, organized, directed and financed assets of an ongoing criminal enterprise.

The investigation has also revealed that MIH Reas Estate Investors, Inc., along with persons acting in concert with MIH, are soliciting and paying individuals to obtain title and mortgages to real property when in fact MIH and its agents control the property and make payments on the property. MIH facilitates the creation and completion of fictitious financial profiles and financial statements and lending applications for these individuals and facilitates the execution of the titles and mortgages for these individuals who would otherwise not qualify for the acquisition of these properties or the mortgages. In this manner MIH is masking the true owner of the property by fraud and forgery. Some of these properties have then been made available to the illegal drug distribution enterprise and are likely held in this manner in order to conceal the true owners and controllers of the properties and to launder the enterprise's illegal proceeds through actual or intended sales of the properties. The persons obtaining, executing and holding the titles and mortgages to the properties for financial gain are also facilitating that conduct.

The following vehicle is registered to Chris Sisneros:

2004 Black Lexus 4DSD, vin JTHBN36F840150143, AZ lic. #301NPE

The MIH business, real property which it actually controls, real property in which it holds an interest, and vehicles in which it holds an interest and belonging to its officers and owners were seized as set forth in Appendix One to the Complaint.

The State incorporates all facts and evidence adduced at the Order to Show Cause in C-20044898.

The facts, events, circumstances and reasonable inferences arising therefrom establish that the properties set forth in Appendix One to the Complaint are subject to seizure and forfeiture under the Racketeering, Drug and Forfeiture chapters of the Arizona Revised Statutes.

2. The Legal Theory of the State's action is set forth in the State's Complaint and is as follows:

This action is a civil, in rem forfeiture action against the subject property and is brought pursuant to A.R.S. §§13-2301(D)(4), 13-2314(G), 13-3413 and 13-4301, et seq. The defendant property, MILLENIUM MOTORS, LLC, AND MIH REAL ESTATE INVESTORS, INC., AND ALL REAL PROPERTY, VEHICLES AND PERSONAL PROPERTY SET FORTH IN APPENDIX ONE, is subject to forfeiture based on the above cited statutes and because it represents the actual or intended proceeds of, and was used or intended to be used, to commit or facilitate the commission of the conduct of Possession of Marijuana For Sale; Transporting Or Offering to Transport Marijuana For Sale; Importing Or Offering To Import Marijuana Into The State; Selling Or Offering To Sell Marijuana; Transferring Or Offering To Transfer Marijuana; Conspiracy To Possess, Sell, Transport For Sale, Import Or Transfer Marijuana; Conspiracy To Offer To Sell, Transport For Sale, Import Or Transfer Marijuana; Participating In A Criminal Syndicate; Money Laundering; Fraud Scheme; Fraud Practice; and Conspiracy As To All of the Preceding.

3. The State may call as Witnesses:

(A) COUNTER NARCOTICS ALLIANCE (C.N.A.) PERSONNEL
270 S. STONE AVE
TUCSON, AZ 85701
(520)547-8800

1. Sgt. Kim Jones, OVPD
2. Det Steve Bunting TPD, #8191
3. Agt Derek Ress DEAS
4. F.I. Jim Weiss, TPD, #32497
5. Sgt James Bentley TPD, #3104
6. Ofc Valerie Berg TPD, #38886
7. Sgt Donnie Bertsch TPD, #33202
8. Det Cesar Bon DPCN, #5196

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9. Det William Briamonte TPD, #26768
10. Det Marcos Amado PCSO, #1248
11. Agt Jesse Canez DEA, #6309
12. Sgt Ken Coultas SOCN, #869
13. Det Linda Daily DPCN
14. Ofc Gerardo Diaz TPD, #40345
15. Det Lupe Dominguez SOCN, #776
16. Ofc Mack Dunham TPD, #43916
17. Agt Bob Ferrier PCSO, #718
18. Det Bob Fiore SOCN, #1094
19. Ofc Dan Gallagher TPD, #18368
20. Det Ken Gallagher DPCN, #2056
21. Agt Al Gallardo DEA, #6302
22. Det Javier Garayzar DPCN, #4712
23. Sgt Mike Garcia TPD, #22355
24. Det Tom Garrison TPD, #18391
25. Agt Charles Gellner DEA, #6306
26. Ofc Scott Glass TPD, #37957
27. Ofc. Bryan Griffin TPCN, #39116
28. Det Albert Gutierrez PCSO, #1110
29. Det Dan Gutierrez DPCN, #4379
30. Det Jim Hart TPCN, #34956
31. Ofc Dallas Hearn TPD, #33030
32. Agt Scott Holtz FBCN, #17561
33. Agt Kathy Ingulli DEA, #6308

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34. Gs Ira Israel DEA, #883
35. Ofc David Jonason TPD, #39777
36. Sgt Jeff Lane DPS, #3759
37. Sgt Arnold Lopez TPCN, #20035
38. Det Jesus Lopez PCSO, #755
39. Dep Andy Loza SODA, #1251
40. Ofc Randy Lucero TPD, #39779
41. Ofc Chris Maciborski UACN, #121
42. Agt Hector Maldonado DEAS, #9112
43. Ofc Gilbert Martinez UAPD, #122
44. Ofc Mike McFadden DPS, #1839
45. Agt Brian Miers DEAS, #9107
46. Ofc Brian Miller TPD, #39780
47. Det Alex Montoya SOCN, #856
48. Ofc Maria Ochoa TPD, #38875
49. Det Fabian Pacheco TPD, #34960
50. Agt. Ray Pesqueira DEA, #6303
51. Ofc Doug Reid TPD, #31062
52. Det. David Barajas MPCN, #267
53. Gs Jorge Rodriguez DEAS, #9102
54. Sgt Matt Roth TPCN, #25581
55. Det Lupe Smith SOCN, #1016
56. Det. Todd Smith DPCN, #4689
57. Sa Alberto Solis DEAS, #9113
58. Det John Taylor SOCN, #1163

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59. Ofc Shawn Thacker TPD, #29833
60. Det Lorraine Thompson TPD, #23494
61. Ofc Raymond Thompson TPD, #22431
62. Det Scott Thrall TPD, #27103
63. Det Aimee Trueblood SOCN, #1197
64. Agt Fred Verheul DEAS, #9103
65. Det Justin Weigel SOCN, #1153
66. Agt Ryan White DEAS, #9108
67. Det Skip Woodward TPD, #10054
68. Det Vic Yanez TPD, #16270
69. Det Tom Adducci SOCN, #762
70. Sgt. Greg Bargar SOCN, #829

The C.N.A. personnel will testify regarding their training and experience; their actions and information discovered in the investigation; the information contained in their reports; items they saw, found, photographed and seized; statements and admissions made to them by the claimant(s) and other subjects of the investigation. The C.N.A. personnel will give expert testimony on the fact that the contraband found was illegal drugs based on their training and experience. They will also give expert testimony regarding the dynamics of drug trafficking, the functions of the participants, the instrumentalities of the offenses and the proceeds of the offenses. The officers will render opinions about how the subjects of this investigation fit within those dynamics.

(B) Claimant, Maria Isabel Dominguez, c/o Attorney Rueben M. Emanuel

Claimant will testify regarding her conduct, statements and admissions made during the investigation; regarding the evidentiary items found; regarding her criminal history; regarding her relationship with the other subjects of this investigation; regarding the status and results of the related criminal case and regarding her acquisition and use of the claimed property.

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(C) The State reserves the right to call all persons named in the disclosed material, all claimant's witnesses and all persons deemed necessary through information obtained via discovery and follow-up investigation. Such persons and materials will be disclosed when received.

4. The persons named in paragraph 3 above have given statements which are contained in written reports.

5. The State seeks relief other than solely a monetary judgment. The State seeks forfeiture of the subject property, its costs and expenses of investigation, court costs and expenses and reasonable attorney's fees. The documents in support of the State's requested relief are the disclosed material, the pleadings and the attorney time sheets in the possession of the State's attorney at the address and telephone number on its pleadings.

6. The evidence the State will use at Trial is:

(A) The disclosed material attached to this disclosure.

(B) Any supplemental disclosed material.

(C) Any of the items seized as evidence.

(D) Any documents obtained during discovery.

(E) Certified documents from the related criminal case.

The above materials are in the possession/control of the custodian of evidence at the C.N.A.; these are available for inspection and reproduction upon request to the Attorney for the State, as are photographs. Witnesses are available for deposition upon notice of deposition, in compliance with the Arizona Rules of Civil Procedure, wherein claimant can discover information.

7. Other than the materials disclosed and to be disclosed, the State is unaware of any other relevant documents, or documents reasonably calculated to lead to the discovery of admissible evidence in this case.

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8. Having been duly sworn and upon my oath, I depose and say that the above disclosure has been made to the attorney for the claimant and is true and correct based on my information and belief.

DATED this 22nd day of June, 2005.

THOMAS J. RANKIN #64518
Deputy County Attorney

SUBSCRIBED AND SWORN TO before me this 22nd day of June, 2005,
by TOM RANKIN.

Notary Public

My Commission expires:

Original and one copy of the foregoing mailed/delivered
this 22nd day of June, 2005, to:

Rueben M. Emanuel

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32 North Stone

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Tucson, AZ 85701

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Attorney for Claimant
1672 N. Country Club Rd.
P.O. Box 13211
Tucson, Arizona 85732